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Attorneys for Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED
 FUND, LLC,
 Debtor.

Chapter 11

Jointly Administered Under
Case No. BK-S-06-10725 LBR

In re:
 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

In re:
 USA SECURITIES, LLC,
 Debtor.

DEBTORS' STATUS AND AGENDA
FOR MARCH 15, 2007 HEARINGS

Affects:

- ☒ All Debtors
☐ USA Commercial Mortgage Company
☐ USA Capital Realty Advisors, LLC
☐ USA Capital Diversified Trust Deed Fund, LLC
☐ USA Capital First Trust Deed Fund, LLC
☐ USA Securities, LLC

Date: March 15, 2007
 Time: 9:30 a.m.
 Place: Courtroom #1

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1. **USA Commercial Mortgage Company's Objection To Proof of Claim No. 784 Filed By Binford Medical Developers LLC** [Docket No. 2033]

A request will be made for this hearing to be continued.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Binford Medical Developers, LLC	December 29, 2006	2329
<u>Reply Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Debtors	January 8, 2007	2378

2. **Second Joint Motion for Implementation of Confirmed Plan** [Docket No. 2869]

In order to implement the Plan, the Movants seek an order of the Court pursuant to Section 1142(b) of the Bankruptcy Code clarifying certain aspects of the wind down process, as detailed in the Motion, such as the payment of the professionals needed to accomplish the wind down, the setting of certain reserves, and the handling of certain miscellaneous issues that may remain outstanding after the Effective Date. In addition, the Movants request authority related to the servicing of loans by the USACM Trust and the Post-Effective Date DTDF after the Effective Date. Reserves disclosures have also been filed by Debtors' professionals (Docket No. 2913) and by the professionals for the Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund (Docket No. 2910).

This Motion was resolved by the Court on March 1, 2007, except for the issue of the amount of the reserve for USA Capital First Trust Deed Fund, LLC. Counsel have stipulated that the issue pertaining to the amount of the reserve be addressed at the next omnibus hearing scheduled for March 27, 2007.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
None.		

3. **Application For Attorney Fees and Costs** [Docket No. 2816]

The Application requests an order approving the payment of attorney fees in the amount of \$173,512.50 and costs in the amount of \$3,671.70 for services rendered by Robert LePome, Esq.

and Nancy Allf, Esq., as attorneys for several Direct Lenders.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Edward Kline	February 21, 2007	2885
Debtors	March 2, 2007	2974
Official Unsecured Creditors Committee for USA Commercial Mortgage Company	March 5, 2007	2991
<u>Reply Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Robert LePome	March 7, 2007	3004

4. **Motion To Authorize Debtor USA Commercial Mortgage Company As Loan Servicer To Accept Payments And Provide Reconveyances For Two Cole Gateway Loans**
[Docket No. 2911]

The Motion seeks authority for USA Commercial Mortgage Company (“USACM”) to accept payments of two loans by borrower Colt Gateway LLC and authorize USACM to provide and authorize reconveyances for the Colt Gateway Loans that are being paid. Temporarily, the issue is dealt with by the Stipulation and Order Postponing the Transfer of USACM’s Rights (Agenda Item #6).

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Fertitta Enterprises, Inc.	March 12, 2007	3059
Estate of Daniel Tabas (Joinder in Opposition)	March 13, 2007	3062
<u>Reply Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Debtors (Supplement)	March 8, 2007	3011

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5. **Status Hearing Re: Motion For Relief From Stay Property: Colt Gateway LSA Estate of Daniel Tabas' and Fertitta Enterprises, Inc.'s Motion For Relief From the Automatic Stay To Terminate The Loan Servicing Agreement For The Direct Loan To Colt Gateway LLC** [Docket No. 2457]

USA Commercial Mortgage Company filed a supplement outlining the proposed compromise on Thursday, March 8, 2007 (DE 3011) and asks the Court to approve the compromise.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
None.		

6. **Hearing Re: Stipulation and Order Postponing The Transfer of USACM's Rights and Assets Relating To The Placer Vineyards Loans To The USACM Trust** [Docket No. 3031]

The Court entered this stipulation and order on March 9, 2007 and set this hearing for consideration of any objections to a delay in transfer of the servicing rights pending a hearing on a motion to sell the servicing rights under 11 U.S.C. § 363 (DE 3037). Any objections are to be heard on this hearing date. The Motion to Sell Under Section 363 All Commercial Mortgage Assets of Debtor USA Commercial Mortgage Company In The Placer Vineyards Loans To Compass USA SPE, LLC will likely be heard in April, 2007 (USACM is awaiting a hearing date).

7. **Status Hearing re: Objection To Claim 1660 of Robert J. Kehl & Ruth Ann Kehl** [Docket No. 2139]

The status hearing on Kehl claim should be continued to the same date as the continued status hearing on the adversary complaint.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
None.		

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8. **Omnibus Objection Of The Official Committee Of Equity Security Holders Of USA Capital First Trust Deed Fund, LLC To Claims Superseded By Compromise Contained In Debtors' Third Amended Joint Chapter 11 Plan Of Reorganization (As Modified)** (the "Compromised Claims Objection") [Docket No.2295]

The Compromised Claims Objection was initially heard on January 31, 2007, and was sustained on that date as to claim nos. 115, 118, and 119 (the "Adams Claims"). As to the balance of the claims, consisting of claim nos. 123, 124, and 125 (the "Kantor Claims"), the Compromised Claims Objection was continued pursuant to two separate stipulations entered into between the FTDF Committee and the Kantor Claimants [DE #2559 and 2891].

<u>Response Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Kantor Claimants	February 20, 2007	2841
<u>Reply Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund	March 7, 2007	3004

9. **Motion to Estimate an Adequate Reserve for Unliquidated and Disputed Claims in Order to Permit Further Distributions to FTDF Members** (the "Reserve Motion") [Docket No. 2668]

The Reserve Motion was filed on February 2, 2007, and originally set for status hearing on February 15, 2007. The Reserve Motion sought to establish interim reserves for outstanding unliquidated claims (pending hearings on the claims objections), in order to permit FTDF to make further interim distributions to its members. Since the filing of the Reserve Motion, the FTDF Committee has entered into – and the Court has approved – stipulations with all but one of the claimants asserting claims which are partially or wholly unliquidated. As to the single exception, claimant Katrine Mirzain, the attachments to Ms. Mirzain's proof of claim establish that she is a "Direct Lender," and, pursuant to this Court's Modified Order Authorizing Interim Distributions and Holdbacks (DE #1424, entered on October 2, 2006), interim distributions need not reserve against this claim.

Ms. Mirzain did not respond to the Reserve Motion. This Motion has been resolved except to

Claim No. 147 (Mirzain), and is unopposed as to that Claim. The FTDF Committee requests that the Court establish a reserve of \$1 as to Claim #147.

10. **Fifth Omnibus Objection Of The Official Committee Of Equity Security Holders Of USA Capital First Trust Deed Fund, LLC – Misfiled Claims** (the “Misfiled Claims Objection”) [Docket No. 2745]

This Misfiled Claims Objection seeks the disallowance of the following claims, due to their having been inappropriately filed against the FTDF estate: Claim nos. 140; 141; 142; 143; 144; 145; 146; 147; and 149. As of the date of this report, no responsive pleading has been filed to this Misfiled Claims Objection. The Misfiled Claims Objection is unopposed.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
None.		

11. **Sixth Omnibus Objection of the Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC – Claims Based on Prepetition Equity Security Interests of USA Capital First Trust Deed Fund, LLC** (the “Equity Claims Objection”) [DE #2748].

The Equity Claims Objection seeks the disallowance of the following claims, due to their mischaracterization as “claims” as opposed to “equity interests,” as well as the disallowance of any amounts claimed in excess of the particular investor’s equity interest as of the petition date: Claim nos. 30; 31; 32; 33; 35; 36; 37; 38; 39; 40; 41; 42; 47; 53; 55; 68; 69; 70; 71; 72; 75; 77; 82; 89; 90; 91; 111; 114; 127; 128; 129; 134; 135; 138; and 148. For the purposes of providing notice to the claimants of the Equity Claims Objection, the claimants were divided into four smaller groups, and a notice of the objection was sent to each [DE #2750, 2751, 2752, and 2753]. As of the date of this report, no responsive pleading has been filed to this Equity Claims Objection. The Equity Claims Objection is unopposed.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
None.		

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12. **Seventh Omnibus Objection of the Official Committee of Equity Security Holders of USA Capital First Trust Deed Fund, LLC – Amount of Proofs of Interest** (the “Equity Interest Amounts Objection”) [Docket No. 2754]

The Equity Interest Amounts Objection seeks the disallowance of the following Proofs of Interest to the extent that the amounts asserted therein exceed the amount reflected in the Debtors’ books and records as of the petition date for that particular investor: Proofs of Interest nos. 12; 17; 20; 27; 47; 61; 62; 68; 70; 72; 73; 74; 75; 6; 7; 19; 20; 25; and 26. For the purposes of providing notice to the investors that are the subjects of the Equity Interest Amounts Objection, the investors were divided into two groups, and a notice of the objection was sent to each [DE #2756 and 2757]. As of the date of this report, no responsive pleading has been filed to this Equity Interest Amounts Objection. The Equity Interests Amount Objection is unopposed.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
None.		

13. **ADV: 2-06-01212. BINFORD MEDICAL DEVELOPERS, LLC vs. USA COMMERCIAL MORTGAGE COMPANY**

Status Hearing re: Partial Motion For Summary Judgment on Counterclaim For Declaratory Relief

Upon information and belief, the USACM Trust will request that this matter be continued to the Court’s April 26, 2007 calendar.

14. **ADV: 2-06-01179. USA COMMERCIAL MORTGAGE COMPANY vs. STANDARD PROPERTY DEVELOPMENT, LLC**

Motion For Partial Summary Judgment Re: Declaratory Relief (Docket No. 40)

Due to a pending offer of compromise, counsel for USACM, the USACM Trust, and Standard Property Development, stipulate that this hearing be continued until a calendar in April, 2007, although counsel for Standard Property Development has a conflict on April 26, 2007.

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15. **ADV: 2-06-01179. USA COMMERCIAL MORTGAGE COMPANY vs. STANDARD PROPERTY DEVELOPMENT, LLC**

Standard Property Development, LLC's Motion For Abstention (Docket No. 57)

A request will be made for this hearing to be continued.

16. **ADV: 2-06-01179. USA COMMERCIAL MORTGAGE COMPANY vs. STANDARD PROPERTY DEVELOPMENT, LLC**

Standard Property Development, LLC's Motion To Dissolve Preliminary Injunction (Docket No. 58)

A request will be made for this hearing to be continued.

17. **ADV: 2-06-01179. USA COMMERCIAL MORTGAGE COMPANY vs. STANDARD PROPERTY DEVELOPMENT, LLC**

Standard Property Development, LLC's Motion To Dismiss The Amended Complaint (Docket No. 59)

A request will be made for this hearing to be continued.

18. **ADV: 2-06-01179. USA COMMERCIAL MORTGAGE COMPANY vs. STANDARD PROPERTY DEVELOPMENT, LLC.**

Standard Property Development, LLC's Motion To Continue Hearing on Plaintiff's Motion For Summary Judgment Regarding Declaratory Relief Pursuant To FRBP 7056(f) (Docket No. 60)

A request will be made for this hearing to be continued.

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19. **ADV: 2-06-01146. USA COMMERCIAL MORTGAGE COMPANY vs. WELLS FARGO BANK, N.A.**

Status Hearing Re: Amended Complaint For Interpleader

Issues regarding the payment of interplead funds to defendants and the allowance of attorneys' fees and costs incurred in connection with the interpleader and the payment of these funds from the interpleader funds must be addressed. In addition, issues regarding the status of the docket need to be addressed.

20. **ADV: 2-06-01146. USA COMMERCIAL MORTGAGE COMPANY vs. WELLS FARGO BANK, N.A.**

Motion For Reconsideration or Alternatively To Modify The Order Granting Motion [The "Motion"] To Discharge USA Commercial Mortgage Company ("USACMC") From Liability For Interpled Funds and Awarding USACMC Compensation (Fees And Costs) For Bringing The Interpleader Action (Docket No. 96)

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
USA Commercial Mortgage Company	February 16, 2007	104

21. **ADV: 2-06-01146. USA COMMERCIAL MORTGAGE COMPANY vs. WELLS FARGO BANK, N.A.**

Status Hearing Re: Order Granting Motion To Consolidate Adversary Proceedings Involving Investor Trust Account

A Motion to Consolidate Adversary Proceedings Involving Investor Trust Account ("Motion") was filed and heard on September 13, 2006. This motion was granted. Also, a stipulation between USACM, Wells Fargo and James Feeney was entered on September 15, 2006 wherein the parties to the Wells Fargo proceeding stipulated to the consolidation. USACM believes that while the entry of the consolidation order is not necessary as a result of the subsequent dismissal of the Wells Fargo proceeding, entry of an order may be beneficial procedurally.

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22. **ADV: 2-06-01167. USA COMMERCIAL MORTGAGE COMPANY vs. ROBERT J. KEHL**

Motion To Withdraw As Attorney of Record (Docket No. 260) filed by John J. Laxague, Esq. on behalf of BEVERLY J. STILES TRUST

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
None.		

23. **ADV: 2-06-01167. USA COMMERCIAL MORTGAGE COMPANY vs. ROBERT J. KEHL**

Motion To Withdraw As Attorney of Record (Docket No. 262) filed by John J. Laxague, Esq. on behalf of Fabiola A. Bolino, Peter A. Bolino

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
None.		

24. **ADV: 2-06-01167. USA COMMERCIAL MORTGAGE COMPANY vs. ROBERT J. KEHL**

Motion to Enforce Order Approving Settlement And For Reasonable Attorney Fees or Alternatively For An Order of Contempt Upon USACMC (Docket No. 258)

The Motion requests payment pursuant to the December 11, 2006 Stipulation between USA Commercial Mortgage Company, Defendants Edwin Arnold IRA and MW Gorts and

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Company, and Defendant USA Capital First Trust Deed Fund and an award of attorneys' fees and costs.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Debtors	February 15, 2007	269
Official Committee of Unsecured Creditors of USA Commercial Mortgage Company (Joinder in Opposition)	February 23, 2007	274
<u>Reply Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
Edward Arnold, M.W. Gorts and Company	February 23, 2007	273

25. **ADV: 2-06-01247. ROBERT J. KEHL vs. USA COMMERCIAL MORTGAGE COMPANY**

Status Hearing Re: Complaint

Counsel for the USACM Trust and counsel for the Kehl family have agreed and request that the hearing on the adversary proceeding and the objection to proof of claim should be continued to a scheduling conference convenient to the Court in about 60 days.

26. **ADV: 2-06-01251. USA COMMERCIAL MORTGAGE COMPANY vs. SALVATORE REALE**

Status Hearing Re: Amended Complaint

Counsel for Mr. Reale (Douglas Gerrard) and counsel for the USACM Trust (Diamond McCarthy) will present a scheduling order for the Court's consideration.

27. **ADV: 2-06-01256. USA COMMERCIAL MORTGAGE COMPANY vs. HMA SALES, LLC et al.**

Liberty Bank's Motion To Clarify And/Or Vacate Temporary Restraining Order And Stipulated Temporary Restraining Order (Docket No. 126)

The Motion requests an order clarifying and/or partially vacating the Temporary

1 Restraining Order as it affects Liberty Bank and the completion of the second part of the sale of
 2 the Royal Hotel, issued in this adversary proceeding on January 3, 2007 (Adv. Docket No. 14),
 3 and the Stipulated Temporary Restraining Order issued on January 19, 2007 (Adv. Docket No.
 4 19). This Motion is not contested.

<u>Opposition Filed By:</u>	<u>Date</u>	<u>Docket No.</u>
None.		

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 9 DATED: March 14, 2007

10
 11 /s/ Lenard E. Schwartz

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 13 Jeanette E. McPherson, Nevada Bar No. 5423
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15 and

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